

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

SteelStar

Mid-America Manufacturing Technology Center - Colorado

SteelStar Hones Lean Skills for Increased Sales

Client Profile:

SteelStar Corporation, of Dacono, Colorado, fabricates and installs residential, industrial, and commercial steel fixtures. SteelStar was formed in April 2004 when Custom Design & Fabrication Inc. and McLean's Steel Fabrication and Installation merged. SteelStar currently employs 10 people.

Situation:

SteelStar wanted to investigate how Lean Manufacturing could help its business, especially after merging two separate companies. The company wanted to improve efficiency and profitability. SteelStar contacted the Mid-America Manufacturing Technology Center (MAMTC), a NIST MEP affiliate, for help.

Solution:

MAMTC conducted a Lean Basics class for employees to familiarize them with the concepts of Lean Manufacturing. MAMTC and SteelStar worked together to conduct a Value Stream Mapping (VSM) assessment. During a VSM exercise, a current state map is compared to a future state map to uncover any non-value-added steps. The VSM assessment revealed several areas for improvement, and SteelStar made changes to its processes accordingly. The increased efficiency resulting from these changes helped the company decrease its inventory by \$10,000 and its labor costs by \$210,000. Additionally, SteelStar anticipates an increase in sales of \$700,000 and \$300,000 retention of sales that might otherwise been lost.

Results:

- * Anticipated sales increase of \$700,000.
- * Anticipated retention of \$300,000 in sales.
- * Decreased inventory by \$10,000.
- * Lowered labor costs by \$210,000.

Testimonial:

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